

Testimony in favor of House Bill 4803

Thursday, June 23, 2005

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Grand Hotel

First I want to thank the Committee and Chairman Palsrok for considering what we feel to be very important legislation.

On behalf of the Michigan Chamber of Commerce as a past Chairman, and the Michigan Hotel, Motel & Resort Association as a past Chairman, as well as a former Alderperson for the City of Mackinac, and lastly but not least, President of Grand Hotel on Mackinac Island, I can say that these groups are all very much in favor of the proposed legislation.

First and foremost is a quality of life issue. August is the best weather all year. And because of that, the water is at its warmest all season. A fact, as you might suspect, that is not lost on someone from northern Michigan. But it seems to make sense to me that in the Great Lakes State that we should do all we can to take advantage of that resource. HB 4803 gives two weeks of the best weather and warmest water back to Michigan families and tourists.

And it is worthwhile to point out that consistent statewide polls supports this position. The latest taken in July of 2004 found that 60% favored the provisions in this Bill. Only 23% opposed, with the remaining 17% undecided.

As the third generation of my family to own and operate Grand Hotel on Mackinac Island, I can tell you that the slow erosion of our mid to late August business has been something of a cancer to our seasonal business.

Over the last 15 years we have seen a decrease of a little over 25% in revenues from the time period of August 18, through August 31. And while this is a relatively short period of time, it is an exceptionally important one to us in the summer seasonal business and quite frankly, an extremely crucial and important time as to our viability as an ongoing concern. It is much like taking the cream from our seasonal business.

I can tell you it is not just Grand Hotel, but all of Mackinac. And as many consider Mackinac the State's tourism jewel, if you will, and also believe that we are somewhat of a bellwether for the State's tourism industry. I believe it is particularly important in these fiscally challenging times for our state to augment our industry's growing contribution to Michigan's economy.

Put simply, this Bill would provide increased employment, more reinvestment into our economy and provide more tax revenue to the State. In fact, Michigan State University's Travel, Tourism & Recreation Resource Center conservatively projects an additional \$10 million dollars in tax revenue coming to the state.

This is exactly the right time to help our industry. If you compare this effort, to the many efforts as well as number of dollars, that have been spent on helping and promoting the manufacturing industry in this state over the years, this action is insignificant, but it is a critically important step in the right direction.

While I am certainly not predicting or suggesting the demise of General Motors and Ford, it does appear that their industries are diminishing in our state, whereas the tourism industry, now the second largest, is on the rise.

I believe that it is important to keep in mind what is bearing fruit in this state and to augment it and to help it and nurture it in every possible way, particularly when the proposed legislation also is a benefit to the quality of life for those living in this great state.

Thank you for hearing my testimony and thank you for considering this very important legislation to my family's hotel, our island and the tourism industry as a whole.